

CA20N
EC12
75P02

Working Paper Series

A CROSS-SECTIONAL ANALYSIS OF CANADIAN
PUBLIC ATTITUDES TOWARD U.S.
EQUITY INVESTMENT IN CANADA

J. Alex Murray
Lawrence LeDuc

June, 1975



Ontario Economic Council
Toronto, Ontario



011
EC12
75P02

A CROSS-SECTIONAL ANALYSIS OF CANADIAN
PUBLIC ATTITUDES TOWARD U.S.
EQUITY INVESTMENT IN CANADA

J. Alex Murray
Lawrence LeDuc

June, 1975

Working Paper No. 2/75

The opinions expressed in this paper are the author's
and do not necessarily reflect the views of the
Ontario Economic Council.

PREFACE

U.S. Direct Investment in Canada has been a serious topic of discussion and examination by governmental and academic units over the past number of years. The focus of this study is an analysis of Canadian Public Attitudes on the question of U.S. Equity Investments in Canada.

The report is presented in five different sections, as follows:

Section I, deals with the introduction of the report and covers the focus and scope of the topic, the terms of reference used, and the methodology and design of the analysis by the researchers.

Section II, presents the attitudes of Canadians on U.S. Equity Investment, the Mitchell Sharp options, and Canadian control of her industries and resources.

Section III, continues with the survey results presenting the attitudes of Canadians towards private--versus public industry control, fair profit, perceived rate of return, and business-government communications.


Section IV, presents the results of Canadian attitudes on the critical issues facing Canada, and on long term economic outlook. This brings into proper focus the question of equity investment in relation to other problems facing Canada.

Section V, summarizes the general Canadian attitudinal study, in addition to presenting implications for policy options and continued directions for future research.

Section VI, presents the Technical Appendix and Questionnaire.

The format of the report is to analyze each of these areas.

Related tables follow each discussion. At all times, care was taken to use the perspective as outlined by the Ontario Economic Council in



Digitized by the Internet Archive
in 2023 with funding from
University of Toronto

<https://archive.org/details/31761118924778>

in a letter of transmittal concerning purposes of the studies commissioned by the Council.

The study was a cooperative effort with the Elliott Research Corporation who supplied the original survey data and the International Business Studies Research Unit.

The International Business Studies Research Unit of the University of Windsor is composed of an interdisciplinary team that examines, studies and reports on topics of vital concern to the international business community in Canada. The particular members of each organization who worked on the project are:

- Mary C. Gerace, Assistant Professor in Communication Studies, Windsor
- Lawrence LeDuc, Associate Professor of Political Science, Windsor
- J. Alex Murray, Professor in International Business, Windsor
- George L. Shields, President, Elliott Research Corporation, Toronto
- Henny Wolfe, Statistician, Elliott Research Corporation, Toronto

A CROSS-SECTIONAL ANALYSIS OF CANADIAN PUBLIC ATTITUDES TOWARD

U.S. EQUITY INVESTMENT IN CANADA

* * * * *

TABLE OF CONTENTS

	PAGE
Preface	i
List of Tables	iv
List of Charts	vi
I INTRODUCTION	
(a) Focus and Scope of the Study	2
(b) Terms of Reference	4
(c) Research Methodology and Design	4
(d) Direction of the Analysis	6
II NATIONALISM AND CANADIAN BEHAVIOURAL RESPONSE	
(a) Attitudes Towards U.S. Equity Investment in Canada (5-year analysis)	10
(b) Attitudes Towards The Mitchell-Sharp Options for a Long Term Industrial Strategy	25
(c) Canadian Control Versus Standard of Living	31
III PUBLIC VERSUS PRIVATE INDUSTRY CONTROL	
(a) Private Versus Government Ownership of Canada's Basic Industries (3-year analysis)	40
(b) Public Opinions on Fair Profit Versus Rate of Return	47
(c) Business-Government Communications (2-year analysis).....	52
IV CANADIAN ISSUES THAT ARE IMPORTANT	
(a) Issues (2-year analysis)	55
(b) Economic Outlook	58
V OVERALL CONCLUSIONS AND COMMENTARY	
(a) Summary and Conclusions	64
(b) Implications for Policy Options	67
(c) Directions for Future Research	69
VI APPENDIX A - Technical Appendix	71
APPENDIX B - Canadian Public Attitudes Questionnaire	78

LIST OF TABLES

TABLE		PAGE
II-1	U.S. Ownership of Canadian Companies a Good or Bad Thing For Our Economy by Age.....	14
II-2	U.S. Ownership of Canadian Companies a Good or Bad Thing For Our Economy by Occupation	15
II-3	U.S. Ownership of Canadian Companies a Good or Bad Thing For Our Economy by Political Affiliation	16
II-4	U.S. Ownership of Canadian Companies a Good or Bad Thing For Our Economy by Sex	17
II-5	U.S. Ownership of Canadian Companies a Good or Bad Thing For Our Economy by Economic Level	18
II-6	Reasons For Believing that U.S. Ownership of Canadian Companies Is A Good Thing For The Canadian Economy By Region (1973).....	20
II-7	Reasons For Believing That U.S. Ownership of Canadian Companies Is A Bad Thing For The Canadian Economy By Region (1973)	22
II-8	Reasons For "Qualified" Opinions On The Effect of U.S. Ownership Of Canadian Companies On The Canadian Economy	24
II-9	Option As To The Best Industrial Strategy For Canada By Region	27
II-10	Option As To The Best Industrial Strategy For Canada By Age	29
II-11	Option As To The Best Industrial Strategy For Canada By Political Affiliation	30
II-12	Option As To The Best Industrial Strategy For Canada By Sex	32
II-13	Acceptance Of A Lower Standard of Living For More Control Over Canadian Economy By Reducing Or Abolishing U.S. Investment By Region	35
II-14	Acceptance Of A Lower Standard of Living For More Control Over Canadian Economy By Reducing Or Abolishing U.S. Investment By Age	36
II-15	Acceptance Of A Lower Standard of Living For More Control Over Canadian Economy By Reducing Or Abolishing U.S. Investment By Party Affiliation	37
II-16	Acceptance Of A Lower Standard of Living For More Control Over Canadian Economy By Reducing Or Abolishing U.S. Investment By Sex	38

LIST OF TABLES

TABLE		PAGE
III-1	Control of Canadian Gasoline And Oil Companies By Region (1973)	45
III-2	Opinion On The Amount Of Profit Canadian Business Receives By Region	49
III-3	Opinion As To A Fair Profit For Canadian Business By Region	50
III-4	Opinion As To The Amount Of Excess Profit Realized By Canadian Business By Region	51
IV-1	Canadian Issues Which Are Most Important At The Present Time By Region (1973)	54
IV-2	Canadian Issues Which Are Most Important At The Present Time By Region (1972)	57
IV-3	Economic Outlook By Region	61
IV-4	Economic Outlook By Sex	61
IV-5	Attitudes Toward U.S. Investment By Economic Outlook	62
IV-6	Acceptance Of A Lower Standard of Living For More Control Over Canadian Economy By Reducing Or Abolishing U.S. Investment By Economic Outlook	62

LIST OF CHARTS

CHART		PAGE
I	Negative Attitudes Towards U.S. Ownership of Canadian Companies By Region (Five-Year Analysis)	13
II	Control Of The Automobile Industry	41
III	Control Of The Aluminium Industry	41
IV	Control Of The Banking Industry	41
V	Control Of The Brewing Industry	42
VI	Control Of The Chemical Industry	42
VII	Control Of The Distilling Industry	42
VIII	Control Of Electric Light And Power Companies	43
IX	Control Of Finance Companies	43
X	Control Of Gasoline And Oil Companies	43
XI	Control Of Life Insurance Companies	44
XII	Control Of Radio Stations	44
XIII	Control Of Steel Manufacturing	44
XIV	Attitudes On Communication Between Business And Government By Region	53
XV	Canadian Attitudes On The Likelihood Of A Depression Within The Next Two Or Three Years	59

I

INTRODUCTION

- (A) Focus and Scope of the Study
- (B) Terms of Reference
- (C) Research Methodology and Design
- (D) Direction of the Analysis

INTRODUCTION

(A) Focus and Scope of the Study

The problem of foreign investment in Canada has been reported in a number of recent inquiries conducted for select committees and governmental bodies.¹ Recent policy decisions in the area of foreign equity investment made by both the Provincial and Federal Governments has heightened this interest. An example of this, is the intensive studies polling both opinion leaders in Canada and the general public which are being conducted on a continuing basis. The Canadian International Image Study, which is focusing on attitudes of Canadian elites and opinion makers, is now being conducted by faculty members at York and Carleton Universities. This study will attempt to interview Members of Parliament, senior civil servants and business-labour leaders, and can provide a complement to studies of mass opinion in the foreign policy field.

Last year, an intensive survey was conducted for the Select Committee on Economic and Cultural Nationalism by the consulting firm of Kates, Peat, Marwick and Company (KPM). The focus of their studies was attitude surveys carried out on employees of foreign firms based in Ontario, on community leaders, and on the public at large in four small Ontario communities. Because the KPM Study was commissioned by the Ontario Select Committee the parameters consisted of firms, officials, and a small sample of the general public living in Ontario. There was no attempt to broaden the focus of the study.

¹A comprehensive bibliography is available from the Foreign Investment Division of the Federal Department of Industry, Trade and Commerce. An example of such a bibliography prepared for the Foreign Investment Division, Policy Development and Analysis Branch, Department of Industry, Trade and Commerce is A List of Working Papers on Foreign Direct Investment in Canada.

In light of the previous research which has been conducted, the study which is reported in this monograph attempts to be more comprehensive in scope. Its major focus is a cross-sectional analysis of Canadian Public Attitudes Towards U.S. Equity Investments in Canada. In particular, the study has concentrated on the following:

1. The general feeling of Canadians towards U.S. takeovers in Canada and the reasons behind these feelings whether they be good or bad.
2. An in-depth consideration of the preferences voiced by the Canadian people regarding the Mitchell Sharp options (International Perspectives, August, 1972).
3. An analysis of Canadians' desire for achieving more control over their economy through abolishing or limiting U.S. investments, and their willingness to accept a lower standard of living in order to attain greater control of their economy.

These questions have been supplemented by additional inquiries of the respondents concerning their feelings on public and private ownership of Canadian companies, business/government communications, considerations of fair profit versus greater return for selected industries. Finally, such economic questions are seen in the context of the Canadian issues which are considered to be most critical at the present time.

This study differs from other studies on two counts. First, it is based on a survey of the total Canadian population. Large sample (5,000) interviews were used in order to focus on the regional and demographic diversities within the country. Second, certain questions have been asked

annually in order to pinpoint significant trends on a time series basis.

(B) Terms of Reference

This study should be viewed as an examination of Canadian Public Attitudes, that is, the real or perceived interpretations of, first, the value of U.S. equity investment in Canada and, secondly, other issues relating to this topic. Because the attitudes of the general public are not always readily understandable, they sometimes can become exceedingly complex. In addition, it is impossible to assume that public attitudes and elite opinion are congruent even though similarities may exist. The debate to determine the most effective opinions has been inconclusive and the resolution of this problem is not germane to this study.

The questions selected for this study, therefore, reflect the general focus of interest in the area of U.S. equity investments. The additional questions included in the survey are meant to increase the understanding of public attitudes towards Canadian nationalism and to facilitate the interpretation of this phenomenon. The earlier surveys conducted by the Elliott Research Corporation have shaped certain aspects of the study.

(C) Research Methodology and Design

The survey work for this study consisted solely of personal interviews conducted by the Elliott Research Corporation's field staff. In particular, the public attitudes were measured by means of quota samples in which

a scientific cross-section of the Canadian adult population was interviewed about their opinions which were recorded, tabulated and analyzed. Following the field work all acceptable questionnaires were reviewed and checked against the original sample allocation. The scope of the investigation includes adults of both sexes, urban and rural distribution, geographical regions, and age levels in accordance with the Statistics Canada population estimates. Detailed information on the sample and sample selection is given in the Technical Appendix.

Field interviewing for all surveys were carried out concurrently across Canada during October and November of each year. Field verification was completed by December 1st, of the same year. The questionnaire was prepared in both English and French and was subject to pre-testing prior to general administration.

A similar format is followed in all the tables used in this report in order to permit easy comparison of tables. All tables are based on the 1973 data except where previous years' comparisons are indicated. Percentages are computed for each column as well as for the total sample, and each will sum to 100% (with deviation for rounding) except in the case of multiple response variables. Missing cases have been excluded from each table, and the total number of respondents who gave valid responses to a given item is shown in each instance under the heading "all respondents."

Summary statistics are not included with the tables because not all statistics are appropriate for use with quota samples. However, the chi-square test was performed on each table in this report. In each instance, the relationship described was statistically significant at the

.001 level. In many cases, however, this is due as much to the large sample size as to the strength of the relationship, since large samples are inherently more reliable statistically than smaller samples of comparable construction. The statistical test performed does serve, however, to pinpoint those relationships in the data which cannot be attributed to chance fluctuations. Only patterns showing this degree of reliability are discussed.

Certain limitations of the study and survey should be recognized. Particular care should be taken in interpreting the results of the survey. Estimates of sampling error for these surveys may be found in Table A-2 (Page 75). These results should be viewed as general indicators of attitudes of Canadians towards particular questions. Care should be taken not to conclude greater breadth and meaning from the results than those indicated by the study.

(D) Direction of the Analysis

The support for any Canadian foreign policy question as well as the testing of a hypothesis as part of that policy question must be seen in the context of a majority opinion which has had continual support over a number of years. Therefore, the approach of this study is to use large sample interviews in order that regional diversities and demographic variables are given the significant weight they deserve in any analysis of policy options. At the same time, it is important to indicate a particular position which has been held over a number of years in order to determine whether the direction of policy projection is parallel to long-term public opinion changes.

Although a formal statement of hypotheses is not given, consideration of the following perceptions provided general research direction:

1. Are Canadians concerned about the issue of U.S. investment in their own country, and are they willing to state an option on this matter?
2. Are most Canadians in addition to their opinion on U.S. investment, willing to give reasons why they hold their attitudes on U.S. investment?
3. Does a relationship exist between the economic outlook in this country and the attitudes towards U.S. investment in Canada.
4. Can public opinion be measured by perceived profit, rate of return, private ownership, and government ownership even though these attitudes are slow to reflect change over time? Although opinions of Canadians are usually conservative on these questions, crisis situations (e.g., energy) may, however, loom as important issues for the well-being of Canadians.
5. Is the country polarized on certain policy issues such as U.S. investment in Canada, and can these differences be explained in part by regional, demographic and political variables?

In analyzing the results and drawing conclusions from these surveys care was taken not to draw from them conclusions beyond what can be supported by the data. Even though large sampling enables cross-tabulation of the responses into a number of sub-categories, a relatively cautious approach in translating these results into policy recommendations was used. Time series analysis strengthens the conclusions in a number of areas which have been investigated in previous surveys and provides more reliable information for the policy makers.

II

NATIONALISM AND CANADIAN BEHAVIOURAL RESPONSE

- (A) Attitudes Towards U.S. Equity Investment in Canada (5-year analysis).
- (B) Attitudes Toward Mitchell Sharp Options for a Long Term Industrial Strategy.
- (C) Canadian Control Versus Standard of Living.

II

NATIONALISM AND CANADIAN BEHAVIOURAL RESPONSE

(A) Attitudes Towards U.S. Equity Investment in Canada

The results of the general question on whether an American purchase of a Canadian firm which expands its Canadian operations is a good or bad thing is presented in Chart I, for the five-year period, 1969-1973. The percentage of Canadians, who consider U.S. ownership of Canadian companies a bad thing, has increased significantly during these years and this position reached an absolute majority in 1973. In fact, on a country-wide basis, a complete reversal of sentiment occurred in 1969 when a larger portion of the sample thought that it was a bad thing for Americans to purchase Canadian firms, even though this meant an expansion of the Canadian operations.

Over the past number of years there has been significant inter-provincial differences. The eastern regions, particularly the Maritimes and Quebec, which have usually been in favor of U.S. investment, have registered a change. Both Quebec (45.4% in 1973), and the Maritimes, (47.9% in 1973) now have a higher percentage of the sample reacting unfavorably to U.S. investment. The western provinces, particularly British Columbia and the Prairies, have always responded more negatively to U.S. takeovers and ownership of Canadian companies. It is important to note the decline in regional variances over the five-year period. The surveys for the past two year's indicate that negative feelings in the Maritimes have increased

at a far greater rate than those in British Columbia. The latter's negative sentiment about U.S. investment has always been higher than the national average. Throughout the five-year period, Ontario has become increasingly less positive in its attitude regarding the American investor. For example, the negative responses jumped from 37% in 1969 to 53% in 1973.

The question whether U.S. ownership of Canadian companies is a bad or good thing for our economy has been cross-tabulated according to the controls of age, occupation, political affiliation, sex, economic level, and location. The tables for each of the controls are presented in this section except for the one on location which showed no significant variance from the average.

The age factor (Table II-1) indicates quite clearly that various age groups think differently about accepting ownership of Canadian companies. The under 30's register a plurality of negative feelings against the question. Although those over 50 are also against U.S. ownership, their percentage is not as large as their younger counterparts.

Looking at the same question from the point of view of occupation (Table II-2) shows that the labor workforce has greater negative feelings about U.S. investment. The white collar workers, on the other hand, are more positive about the contributions U.S. investment makes to the Canadian economy. No significant difference exists between union and non-union labor.

Political Affiliation (Table II-3) also shows a polarization among declared members of political parties. Because members of the New Democratic Party (N.D.P.) have a much more nationalistic attitude, they register a high percentage of responses (63.0%) which state that U.S. ownership of

Canadian companies is a bad thing for the country. Liberals have the least negative attitude towards U.S. investment. The other party affiliations fall between these two extremes.

Cross-tabulation by sex (Table II-4) indicates that women have stronger feelings on U.S. ownership of Canadian companies than men and, at the same time, registered a lower qualified opinion than their male counterparts.

Among persons of high economic status (Table II-4) an above average number of persons feel that U.S. investments is good for Canada. A number of these persons may feel that their social and economic status depends somewhat on continued U.S. investment in Canada.

CHART I - NEGATIVE ATTITUDES TOWARD U.S. OWNERSHIP OF CANADIAN COMPANIES
BY REGION (FIVE-YEAR ANALYSIS)

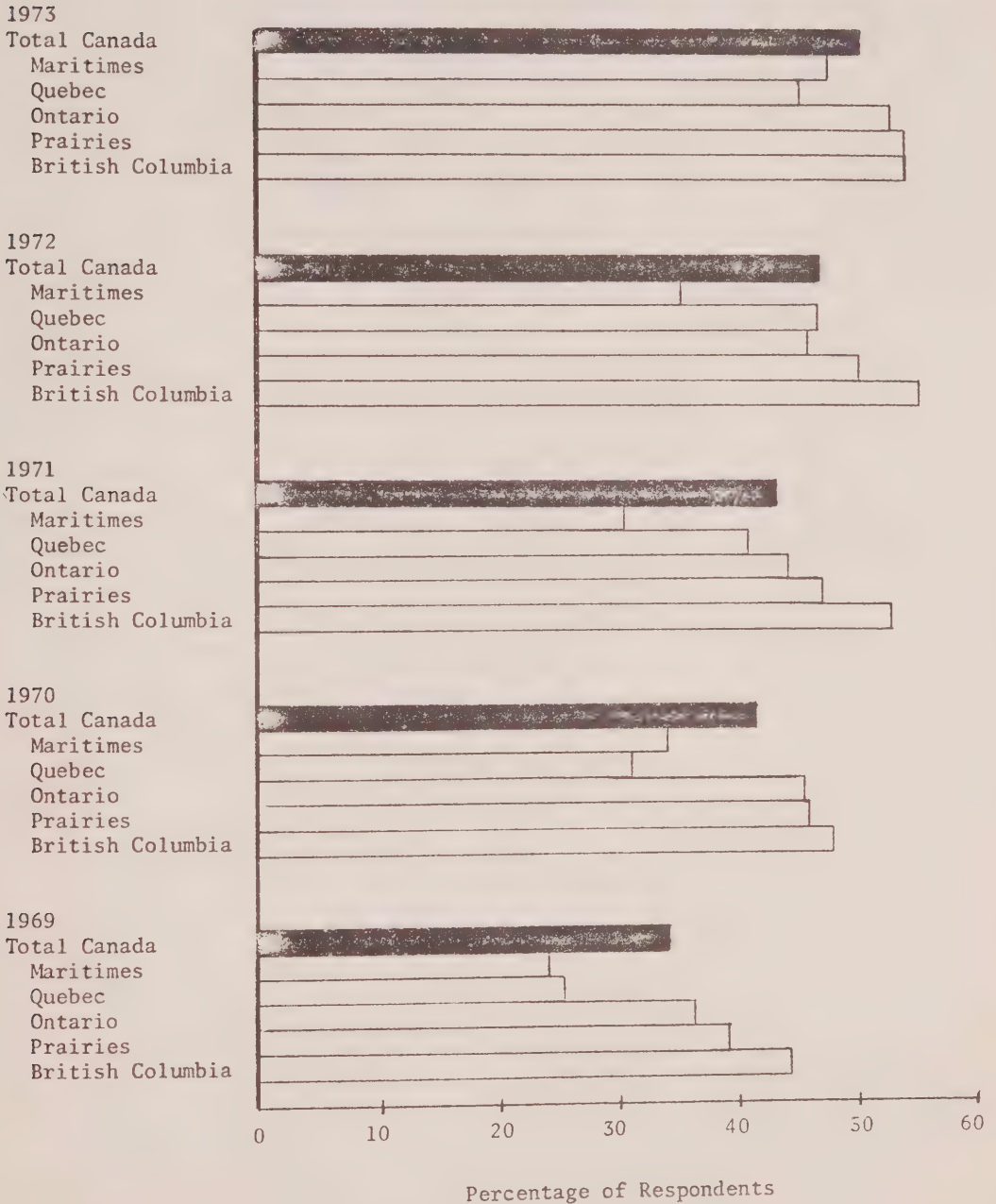


TABLE II-1

U.S. OWNERSHIP OF CANADIAN COMPANIES A GOOD OR BAD THING FOR OUR ECONOMY
BY AGE

	Total Canada	18-29	30-50	Over 50
Bad thing	50.8%	56.3%	48.6%	47.0%
Good thing	31.7	28.5	33.3	33.3
Qualified-both good and bad	7.5	7.0	8.1	7.1
No opinion	10.0	8.1	10.1	12.6
All respondents	4980	1635	2182	1163

TABLE II-2

U.S. OWNERSHIP OF CANADIAN COMPANIES A GOOD OR BAD THING FOR OUR ECONOMY

BY OCCUPATION

	Total Canada	Labour Union Member	Labour non Union	White Collar	Others
Bad thing	50.8%	52.2%	54.7%	48.0%	47.5%
Good thing	31.7	30.4	29.7	37.0	28.7
Qualified-both good and bad	7.5	7.8	6.0	7.6	8.5
No opinion	10.0	9.6	9.7	7.4	15.3
All respondents	5000	1657	1074	1357	887

TABLE II-3

U.S. OWNERSHIP OF CANADIAN COMPANIES A GOOD OR BAD THING
FOR OUR ECONOMY BY POLITICAL AFFILIATION

	Total Canada	N.D.P.	Liberal	Progressive Conservative	Social Credit	All Others ^a
thing	50.6%	63.0%	45.8%	52.0%	45.4%	49.3%
thing	31.6	20.3	37.8	30.9	36.2	28.1
ified-both good and bad	7.5	7.8	7.1	7.4	3.7	8.9
pinion	10.4	8.9	9.2	9.7	14.7	13.7
All respondents	5000	832	1990	998	218	962

TABLE II-4

U.S. OWNERSHIP OF CANADIAN COMPANIES A GOOD OR BAD THING FOR OUR ECONOMY
BY SEX

	Total Canada	Male	Female
Bad thing	50.8%	48.6%	52.9%
Good thing	31.7	34.1	29.3
Qualified-both good and bad	7.5	8.7	6.3
No opinion	10.0	8.6	11.5
All respondents	4978	2490	2488

TABLE II-5

U.S. OWNERSHIP OF CANADIAN COMPANIES A GOOD OR BAD THING FOR OUR ECONOMY
BY ECONOMIC LEVEL

	Total Canada	High	Medium	Low
Bad thing	50.8%	44.1%	52.1%	52.0%
Good thing	31.7	37.0	31.9	26.2
Qualified-both good and bad	7.5	10.9	7.0	6.3
No opinion	10.0	8.0	9.0	15.6
All respondents	4980	814	3256	910

One of the more interesting aspects of the survey lies in the reasons which the respondents used to support their initial response to the question on U.S. ownership in Canada. An analysis of the replies provide some insight into the breadth and depth of their feelings. Table II-6, which uses national and regional percentages, gives the reasons for respondents beliefs why U.S. ownership of Canadian companies is a "good thing" for the Canadian economy. Examination of the reasons indicate that derivations of economic issues have an overriding influence on attitudes of Canadians towards U.S. investment. The feeling is that U.S. investment helps employment, develops our resources, and does a job that Canadians are not willing to do. The fact that the standard of living is raised and money is brought into Canada for circulation is very important. Interestingly, Quebec rates the creation of employment more highly than the national average, whereas, British Columbia is concerned about the risks involved in allowing foreign concerns to develop the resources in which Canadians appear to be too cautious to invest. It is also interesting to note that a re-shuffling of the reasons have occurred during the last few years. The risk reason, Number 3, which had fifth place in 1970 has moved into 3rd place in 1973. Although the transference of research and development to Canada from the U.S. has been used to support the need for allowing American investment in Canada, this reason was given a low rating by the respondents. It should be noted that reason Number 7 may indicate that our foreign policy of good relationship with U.S. has a low priority because this reason has no immediate economic implications.

TABLE II-6

REASONS FOR BELIEVING THAT U.S. OWNERSHIP OF CANADIAN COMPANIES
IS A GOOD THING FOR THE CANADIAN ECONOMY
BY REGION (1973)

<i>Reasons</i>	Total Canada	Maritimes	Quebec	Ontario	Prairies	British Columbia
1. Creates more employment (1) ^a	37.2%	30.2%	43.6%	36.6%	30.6%	31.8%
2. Need outside investment for expansion/development of industry/resources (2)	20.4	21.5	22.1	21.1	23.6	20.2
3. Canadians are not willing to invest (too cautious-need a push); if U.S. didn't do it, some other country would (5)	16.7	8.7	16.0	15.3	20.8	27.1
4. Raises/expands the economy (better standard of living; helps Canada/Canadians) (4)	12.2	11.4	11.2	14.4	10.6	10.1
5. Brings money into Canada-more money is circulated (3)	9.3	16.1	6.6	7.4	13.9	13.2
6. Most of what we have now is due to American investing; our economy is based on U.S.; couldn't operate without U.S. (7)	7.2	6.0	6.8	6.7	9.3	8.6
7. Creates a friendly relationship/cooperation; stabilizes; keeps us par with U.S.; help each other (8)	3.8	4.7	4.2	3.9	3.2	1.5
8. Better/more products; world market-more to export/trade (6)	3.4	3.3	3.5	3.9	1.9	3.1
9. Miscellaneous reasons	2.3	2.7	1.1	3.9	2.3	0.6
10. No particular reason	3.2	8.1	1.1	3.9	2.7	3.9
All respondents	1579					

NOTE: Percentages total more than 100% because of multiple responses.

a- Indicates position in the 1970 Survey.

The reasons for believing that U.S. ownership is a "bad thing" for the Canadian economy are enumerated in Table II-7. The strongest reason on a Canadian wide basis is fear of American economic takeover, and this has held first place since 1970. This may indicate that Canadians will accept strong legislation dealing with such a problem. On a regional level, Quebec differs with the national average and places "profits leaving the province" as its most important negative reason for resisting U.S. ownership. This is not the case with Ontario and the western provinces.

It is interesting to note that the risk factor remains an important one. Canadians feel more strongly in 1973 than in 1970 that U.S. investment is good because Americans are willing to finance risk operations more willingly than Canadians are. Reasons 3 and 4 do not rate as important a position as "pocketbook issues" because they deal with identity or cultural problems.

TABLE II-7

REASONS FOR BELIEVING THAT U.S. OWNERSHIP OF CANADIAN COMPANIES
IS A BAD THING FOR THE CANADIAN ECONOMY
BY REGION (1973).

	Total Canada	Maritimes	Quebec	Ontario	Prairies	British Columbia
1. American taking over our economy; Canada/Canadians should control their own business/economy (1) ^a	39.4%	37.3%	27.5%	47.5%	41.1%	37.7%
2. Profits/money leaves the country; doesn't benefit Canada; U.S. profits from our resources (2)	29.6	20.8	43.9	24.6	24.1	29.6
3. We can do it ourselves/alone; should be more independent (not depend on U.S.) (4)	11.8	13.7	13.3	10.1	13.1	11.0
4. Canadians take risk/initiative/invest in their own country; keep Canadian investments here (3)	4.9	5.7	5.5	5.5	2.5	4.3
5. Take jobs/business away from Canadians (5)	4.4	3.8	4.8	3.6	5.7	4.6
6. Tend to "Americanize"/change us/our methods; will lose our identity (7)	3.6	3.3	3.9	2.7	2.9	6.7
7. Discourages Canadians; too much foreign interest (capital) in Canada (Canadians should have it) (6)	3.4	4.2	2.5	2.8	5.5	3.9
8. Discrimination; unequal trade; don't get a square deal; we pay more; manpower drain, etc. (can pull out in depression) (8)	3.2	2.4	2.0	4.4	3.4	2.5
9. Brings in undesirable (U.S.) unions; unions want wage parity with U.S. (not listed in 1970)	0.9	0.4	0.0	2.1	0.0	1.1
10. Miscellaneous reasons	5.4	8.0	5.0	5.0	2.8	2.7
11. No particular reason	2.2	6.1	.9	1.8	3.2	1.8
All respondents	2527					

NOTE: Percentages total more than 100% due to multiple responses.
a- Indicates position in the 1970 Survey.

Another interesting category includes the respondents (approximately 8%) who did not have strong feelings, either pro or con, for U.S. investment in Canada and, therefore, gave a "qualified opinion" on the question. Their reasons are listed in Table II-8. Because of the small sub-set the regional breakdowns were not a significant factor. Therefore, this table pertains to Canada as a whole. This group is more interested in the perception of trade-offs between what is considered good or bad for Canada. The large percentage indicates that for the short run U.S. investment is good. In the long run, however, other complications of control may beset the country. The reversal of the first and second reasons may be indicative of Canadian thinking about the future of their country. The other reasons, Numbers 2, 3, and 4, indicate that some regulations may be acceptable as a countervailing force to U.S. investment. Therefore, Canadians have spelled out conditional reasons for almost one-half of the responses, e.g., "it is good for Canada as long as profits are retained and invested here." The economic reason of employment is still Number 1. Even if the good derived is only short term, employment is the critical issue which gives credibility to foreign investment in Canada.

TABLE II-8

REASONS FOR "QUALIFIED" OPINIONS ON THE EFFECT OF U.S. OWNERSHIP OF
CANADIAN COMPANIES ON THE CANADIAN ECONOMY

Reasons	Total Canada
1. Good for current economy but not for the future of the country (short term good for employment). (2) ^a	22.2%
2. Good as long as Government/Canadians have controlling interest. (1)	20.6
3. Good as long as profit is retained/ re-invested here. (3)	16.6
4. Good if Canadian raw materials/ manpower used. (8)	10.7
5. As long as Canadian identity retained - good for economy but bad for independence. (7)	9.9
6. Better if Canadians would do it themselves - shouldn't rely on U.S. or other countries. (4)	9.4
7. Bad because could mean our money goes out of the country (profits to U.S.). (5)	7.2
8. Could mean U.S. control, United States could take over Canada. (6)	5.3
9. Miscellaneous replies.	7.8
10. Has good and bad points.	6.1
All respondents	374

NOTE: Percentages total more than 100% due to multiple responses.
a - Indicates position in the 1970 survey.

(B) Attitudes Towards Mitchell Sharp Options for a Long Term Industrial Strategy

In the fall of 1972 the Secretary for External Affairs, Mr. Mitchell Sharp published a paper entitled "Canadian - U.S. Relations: Options for the Future."¹ In it he isolated three possible options which would allow Canada both to live in harmony with the United States and to pursue a comprehensive long-term strategy in Canada's best interests. In summary, he listed the options as:

1. Canada can seek to maintain more or less its present relationship with the United States with a minimum of policy adjustments.
2. Canada can move deliberately toward closer integration with the United States.
3. Canada can pursue a comprehensive long-term strategy to develop and strengthen the Canadian economy and other aspects of its national life by extending its relationships and moving closer to Europe and Asia.

Option Number 3, a deliberate move of Canada towards Europe and Asia, was the preference for which Mr. Sharp argued in his policy paper. The fact that Canada would be less vulnerable to the United States appears to be his main argument for this option. The Secretary is also concerned that Canada should diversify her interests and allow the concept of counter-vailing factors to operate. These factors are described as the new and dynamic relationships which should help extend and increase Canada's influence and international relationships.

In order to test the acceptability or preference of these options

¹International Perspectives, Autumn, 1972. (special issue).

on the Canadian public, the following question was formulated. The options were mentioned without reference to Mr. Sharp's paper.

It has been suggested that Canada really has three long term options that should be seriously considered as an industrial strategy. First, Canada can seek to maintain its present relationship with the U.S. with no policy adjustments; second, Canada can move toward closer integration with the U.S.; or third, Canada can seek a stronger relationship with Europe and/or Asia.

Which of the above three do you feel would be most advantageous to Canada's long term well-being?

The results of the question according to regional breakdowns are presented in Table II-9. The Mitchell Sharp option is rejected in favor of the acceptance of the "status quo" or stay as we are option. There is very little regional variance and only one province, British Columbia, shows any major support for the Sharp option. This may indicate their fear of larger U.S. investment and a generally stronger nationalistic feeling. On the other hand, the Maritimes and Quebec, with their strong support of the present relationship with the U.S.A., have less fear of their southern neighbour either politically or economically.

TABLE II-9

OPTION AS TO THE BEST INDUSTRIAL STRATEGY FOR CANADA
BY REGION

	Total Canada	Maritimes	Quebec	Ontario	Prairies	British Columbia
as we are	42.3%	48.9%	44.2%	41.4%	41.2%	36.4%
er to U.S.	18.0	21.3	25.5	13.7	15.9	13.6
er to Europe/Asia	29.7	18.9	22.3	33.7	32.2	41.4
pinion	9.9	10.9	8.1	11.2	10.7	8.6
all respondents	4980	444	1411	1812	799	514

The question of the best industrial strategy option for Canada was examined by using three controls; age, party affiliation, and sex. The other controls of economic status, location, and occupation were not statistically significant and showed very little variation from the national average.

Table II-10 presents the cross-tabulation for age, and indicates the "under 30" category offers more support for the Mitchell Sharp option than the "over 50" category. The latter are more supportive of the "status quo" option.

The same question viewed from the point of view of party affiliation (Table II-11) indicates that there is more support for Mitchell Sharp's option among N.D.P. respondents than among Liberals. In fact the Liberals opt for a stay as we are position. No significant difference exists between the Liberals and Progressive Conservatives.

The responses, when broken down by sex, (Table II-12) shows that while men support the Mitchell Sharp option of closer ties to Europe and Asia, women are definitely in favor of a "stay as we are" strategy.

A breakdown of the respondents answers into sub-sets indicate that no significant support for the creation of a closer relationship with the United States exists. It would appear that Canadians are happy with existing Canadian-American ties and want Canadian independence to exist within the structure of her past relationship with the U.S. They seem not to want to pursue a continental policy, nor are they interested in a deliberate move towards Europe or Asia.

TABLE II-10

OPTION AS TO THE BEST INDUSTRIAL STRATEGY FOR CANADA
BY AGE

	Total Canada	18-29	30-50	Over 50
Stay as we are	42.3%	37.6%	44.2%	45.4%
Closer to U.S.	18.1	14.8	18.7	21.5
Closer to Europe/Asia	29.7	38.0	27.0	23.1
No Opinion	9.9	9.6	10.1	10.0
All respondents	4980	1635	2182	1163

TABLE II-11

OPTION AS TO THE BEST INDUSTRIAL STRATEGY FOR CANADA

BY POLITICAL AFFILIATION

	Total Canada	N.D.P.	Liberal	Progressive Conservative	Social Credit	All Other
Stay as we are	42.2%	41.3%	41.5%	45.4%	53.2%	38.7
Closer to U.S.	18.0	10.7	21.9	18.5	20.6	15.2
Closer to Europe/Asia	29.6	39.3	28.4	27.3	18.8	28.6
Opinion	10.2	8.7	8.2	8.7	7.3	17.5
All Respondents	5000	832	1990	998	218	952

(C) Canadian Control Versus Standard of Living

The majority of the Canadians feel for the first time in 1973 that U.S. investment in Canada is a "bad thing" for the economy. The question was further explored to find out what reasons supported this feeling. One of the primary negative reasons has been the loss of control over their economy. This year a question was introduced to ask whether Canadians would be willing to accept a lower standard of living in exchange for more controls over their economy by reducing or abolishing U.S. investments.

Table II-13 presents the findings on a regional basis to this question of Canadian control. The major statistic supports the fact that a large plurality of Canadians do not want to abolish U.S. investments by lowering their standard of living. It should be noted, however, that a large minority has said "yes" - 43.8%, and that on a regional basis certain provinces, such as British Columbia and the Prairies, have a larger percentage saying "yes" to abolishing U.S. investment and accepting a lower standard of living. Ontario is split on this question while the Maritimes are definitely against lowering their standard of living. Economic considerations override their concern about U.S. control.

The "yes" respondents were tested further to investigate "how much" of a lower standard of living Canadians would accept in order to abolish or reduce U.S. investment. For most, a lower standard of living is between 5 and 10%, although some ranged it as high as 30%. The regional patterns seen in the "yes" responses are reflected in the amount Canadians are willing

TABLE II-12

OPTION AS TO THE BEST INDUSTRIAL STRATEGY FOR CANADA

BY SEX

	Total Canada	Male	Female
Stay as we are	42.3%	39.4%	45.3%
Closer to U.S.	18.1	19.0	17.2
Closer to Europe/Asia	29.7	33.3	26.0
No Opinion	9.9	8.3	11.5
All respondents	4978	2490	2488

to see their standard of living reduced. The western provinces are more willing to take a 10% lower standard of living than either the Maritimes or Quebec. Ontario is above the national average on this question which may indicate support for at least controls in the area of direct investment.

Age is a significant variable for differentiating between acceptance and rejection of a lower standard of living for more control (Table II-14). As might be expected, the "under 30" group is much more supportive of a policy which gains more control over the economy even if its standard of living is reduced. This option is rejected by those "over 30" and more so by those "over 50." The "yes" responses to this question, indicate that a greater than average number of the "under 30" age group is willing to accept a 10 - 20% lower standard of living. Among the "over 50" group, of the 37% who are willing to take a lower standard of living, 17% are willing to accept a 10% reduction in order to gain control.

When the respondents are examined by party affiliation (Table II-15), the N.D.P. is the only political party which has a majority in favor of abolishing U.S. investment at the cost of a lower standard of living. Respondents from the two other major parties are not willing to accept this cost for abolishing U.S. investments. Political parties, other than the N.D.P., show little variance in their response to accept a lower standard of living.

Women are generally more supportive of a policy which accepts a lower standard of living in order to gain control (Table II-16); 47% say "yes" to this question. Women are also willing to take a larger cut in their

standard of living in order to gain this control. On the other hand, the majority of men (50.9%) do not support lowering their standard of living in lieu of economic control.

TABLE II-13

ACCEPTANCE OF A LOWER STANDARD OF LIVING FOR MORE CONTROL OVER CANADIAN
ECONOMY BY REDUCING OR ABOLISHING U.S. INVESTMENT
BY REGION

	Total Canada	Maritimes	Quebec	Ontario	Prairies	British Columbia
No	47.7%	59.2%	52.3%	46.5%	44.3%	34.2%
No opinion	8.6	9.2	7.9	8.2	9.1	10.7
Yes	43.8	31.5	39.8	45.4	46.6	55.1
Yes Responses - by How Much?						
5%	10.6%	8.6%	13.7%	9.2%	9.9%	10.3%
10%	20.8	16.0	16.6	23.7	21.8	25.9
20%	6.5	3.2	6.1	6.2	7.8	9.5
30%	2.5	1.6	1.6	3.1	2.8	3.5
No Opinion	3.2	2.3	1.8	3.1	4.4	5.8
All respondents	4980	444	1411	1812	799	514

TABLE II-14

ACCEPTANCE OF A LOWER STANDARD OF LIVING FOR MORE CONTROL OVER CANADIAN
ECONOMY BY REDUCING OR ABOLISHING U.S. INVESTMENT
BY AGE

	Total Canada	18-29	30-50	Over 50
No	47.7%	40.7%	49.5%	54.0%
No Opinion	8.6	9.6	7.6	9.0
Yes	43.8	49.7	42.9	37.0
Yes Responses				
- By How Much?				
5%	10.6	10.9	10.9	9.9
10%	20.8	24.2	20.5	17.2
20%	6.5	7.3	6.5	5.4
30%	2.5	3.7	1.9	2.1
No Opinion	3.2	3.6	3.3	2.4
All Respondents	4980	1635	2182	1163

TABLE II-15

ACCEPTANCE OF A LOWER STANDARD OF LIVING FOR MORE CONTROL OVER CANADIAN
ECONOMY BY REDUCING OR ABOLISHING U.S. INVESTMENT
BY PARTY AFFILIATION

	Total Canada	Liberal	Progressive Conservative	N.D.P.	Social Credit	All Other
No	47.6%	52.4%	47.4%	39.1%	49.5%	44.7%
No opinion	8.9	7.4	7.9	7.6	7.8	14.2
Yes	43.5	40.3	44.7	53.4	42.7	41.4
Yes Responses - By How Much?						
5%	10.6	10.4	8.5	13.0	11.9	10.9
10%	20.8	19.6	24.8	24.0	17.0	17.3
20%	6.5	5.8	7.2	7.9	7.8	5.6
30%	2.5	2.5	1.8	3.8	0.9	2.5
No Opinion	3.2	2.0	2.3	4.6	5.0	4.8
All Respondents	5000	1990	998	832	218	962

TABLE II-16

ACCEPTANCE OF A LOWER STANDARD OF LIVING FOR MORE CONTROL OVER CANADIAN
ECONOMY BY REDUCING OR ABOLISHING U.S. INVESTMENT

BY SEX

	Total Canada	Female	Male
No	47.7%	44.5%	50.9%
No Opinion	8.6	8.6	8.6
Yes	43.8	47.0	40.5
Yes Responses - By How Much?			
5%	10.6	12.7	8.6
10%	20.8	22.1	19.8
20%	6.5	6.7	6.3
30%	2.5	2.1	2.9
No Opinion	3.2	3.4	3.0
All respondents	4978	2488	2490

III

PUBLIC VERSUS PRIVATE INDUSTRY CONTROL

- (A) Private Versus Government Ownership of Canada's Basic Industries (3-year analysis).
- (B) Public Opinions on Fair Profit Versus Rate of Return.
- (C) Business-Government Communications (2-year analysis).

III

PUBLIC VERSUS PRIVATE INDUSTRY CONTROL

(A) Private Versus Government Ownership of Canada's Basic Industries

The area of Canadian Public Attitudes which has started to receive increased interest and investigation is the question of "public versus private control" of Canadian industry. The main reason for the interest in this option is that it offers a means of assuring a greater responsibility and role in the industrial structure, thereby lessening the dependence on U.S. investment. Such writers as Watkins, Rotstein and Laxer who are nationalists have in fact advocated increased public ownership as a means of controlling foreign investment. Mel Watkins for example, has argued that "independent socialism" is a logical course for the achievement of greater Canadian autonomy in the economic sphere.¹ In order to pursue this area further, a question was employed which focused on twelve basic industries in Canada and asked the respondents whether they felt these industries should be (a) owned and operated by the government (b) owned and operated by private companies (c) owned and operated by private companies under government supervision and/or owned by both government and private companies. Category C in the questionnaire treated partial government ownership and government regulation or supervision as separate options. These were combined for purposes of analysis since together they represent the traditional third option of the mixed economy. Charts II to XIII gives the responses for a three-year period (1971, 1972, and 1973). In general, there has been little change over time except for a slight lessening in most industries of complete private control and owner-

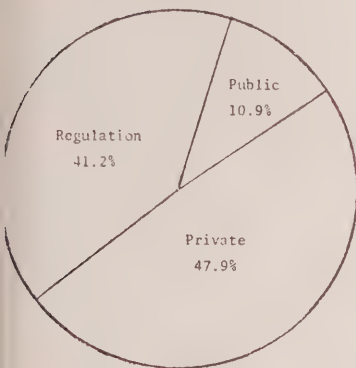
¹Mel Watkins, "Economic Domination or Co-operation," Canada the Unknown Neighbour, edited by J. Alex Murray, (12th annual Seminar on Canadian American Relations) Windsor, Ontario, University of Windsor Press 1970, pps. 30-39.

Public - Government Ownership

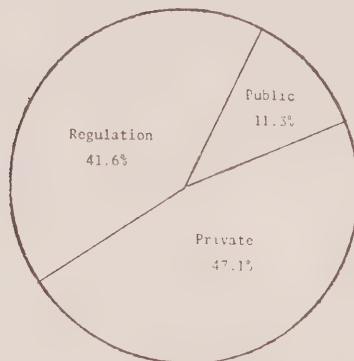
Private - Private Ownership

Regulation - Stronger Government Supervision and Regulation and/or Partial Ownership by both

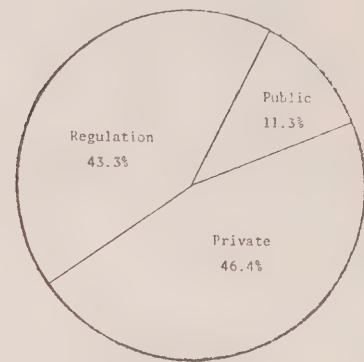
PART II - CONTROL OF THE AUTOMOBILE INDUSTRY



1971

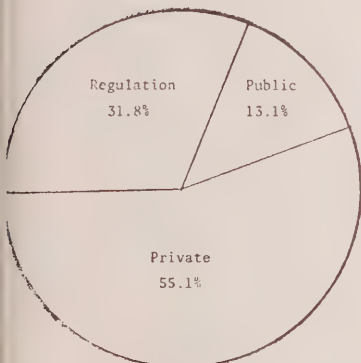


1972

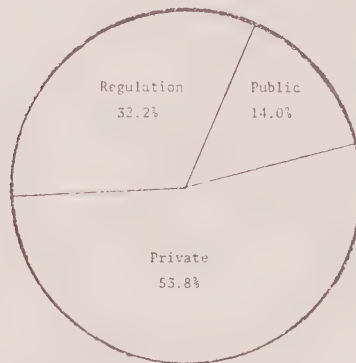


1973

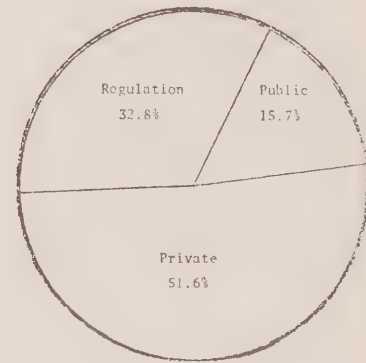
PART III - CONTROL OF THE ALUMINIUM INDUSTRY



1971

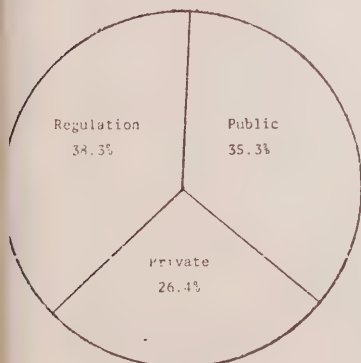


1972

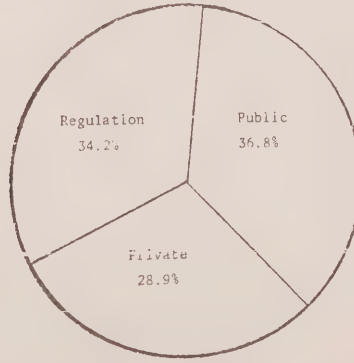


1973

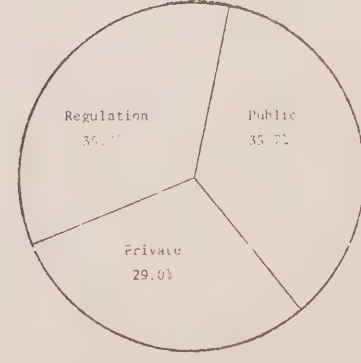
PART IV - CONTROL OF THE BANKING INDUSTRY



1971



1972



1973

CHART V - CONTROL OF THE BREWING INDUSTRY

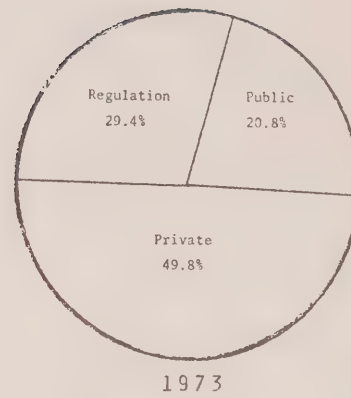
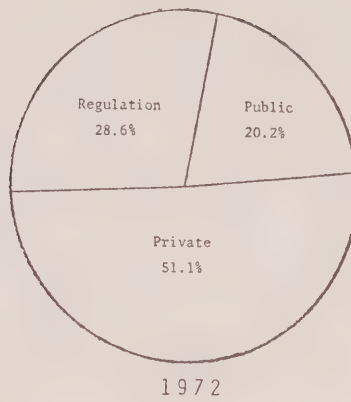
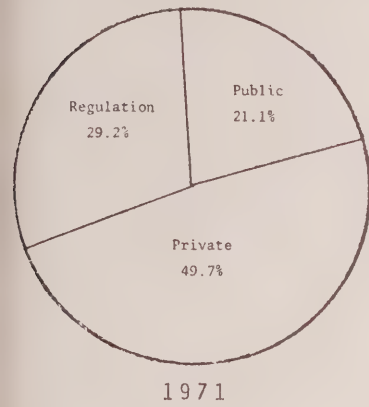


CHART VI - CONTROL OF THE CHEMICAL INDUSTRY

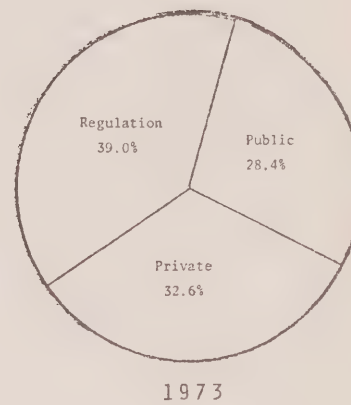
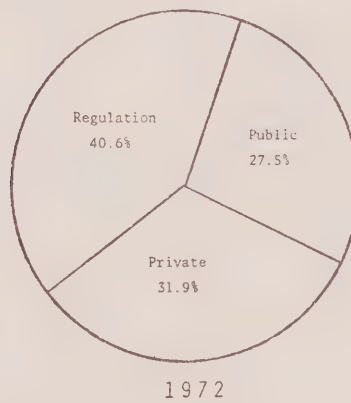
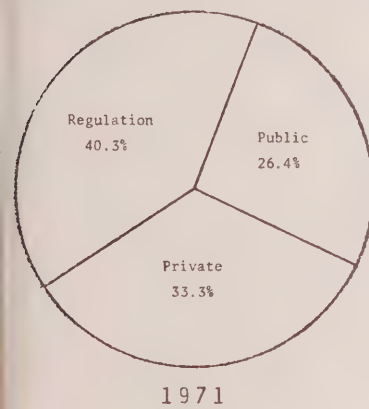


CHART VII - CONTROL OF THE DISTILLING INDUSTRY

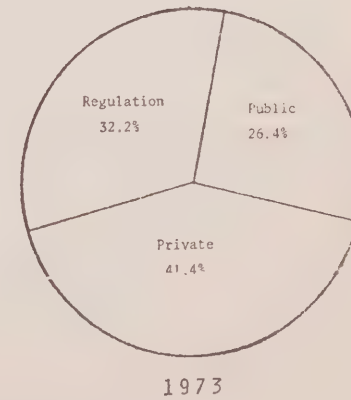
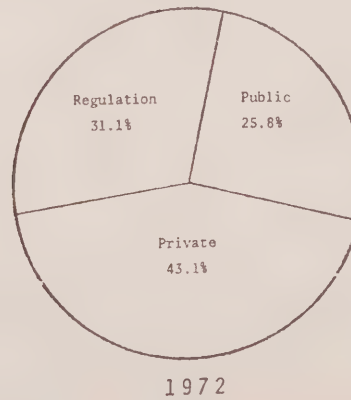
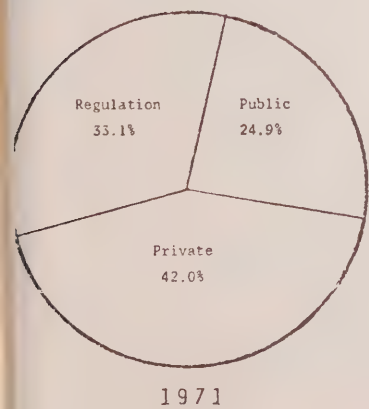


CHART VIII - CONTROL OF ELECTRIC LIGHT AND POWER COMPANIES

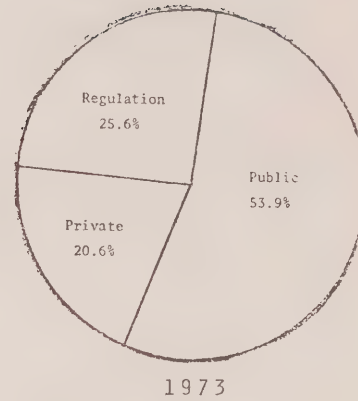
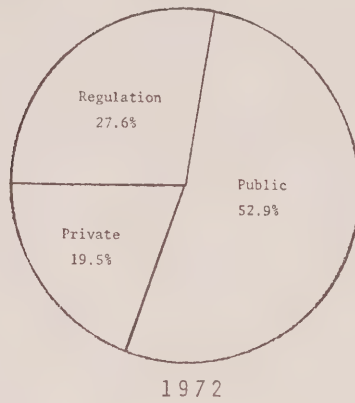
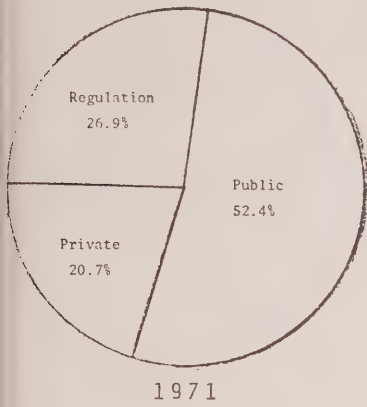


CHART IX - CONTROL OF FINANCE COMPANIES

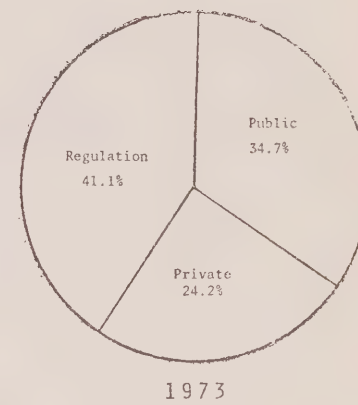
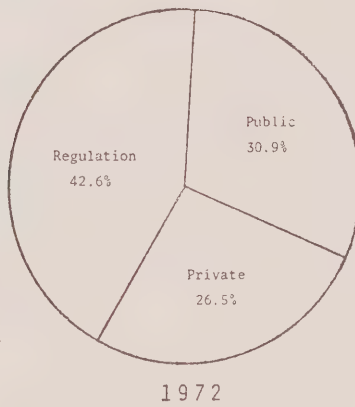
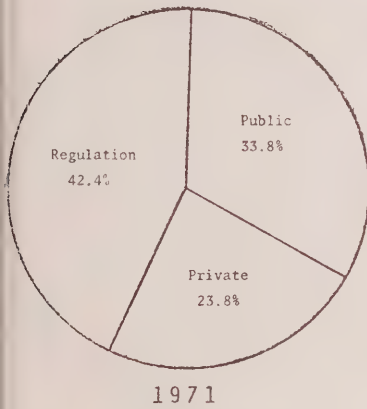
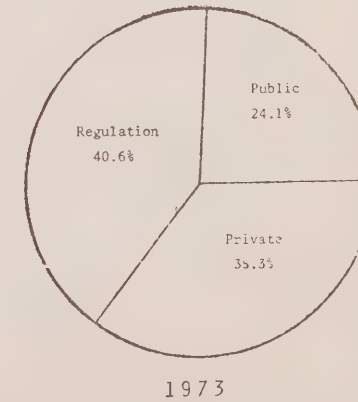
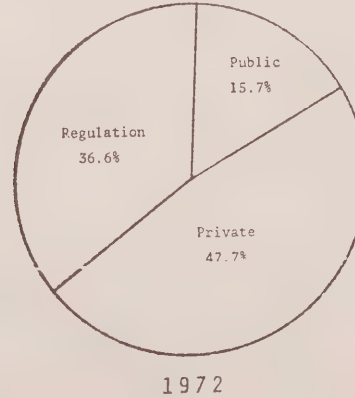
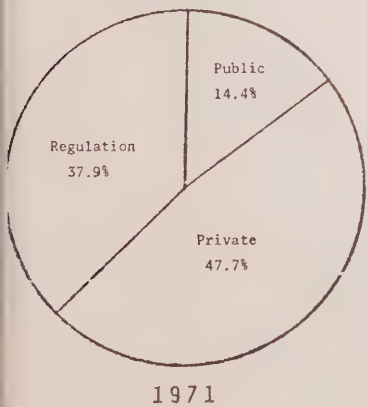
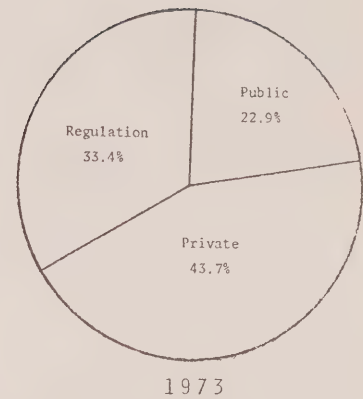
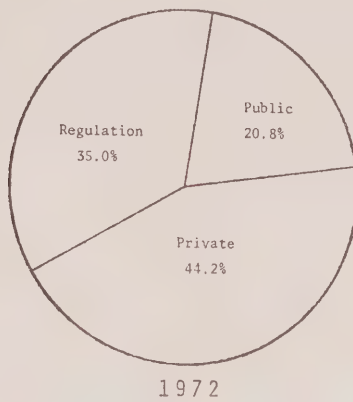
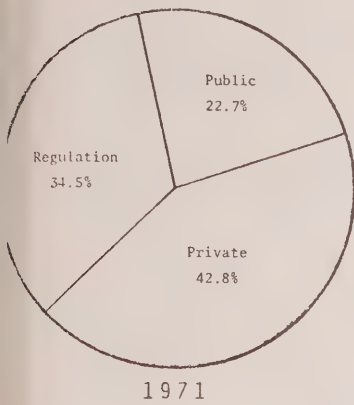


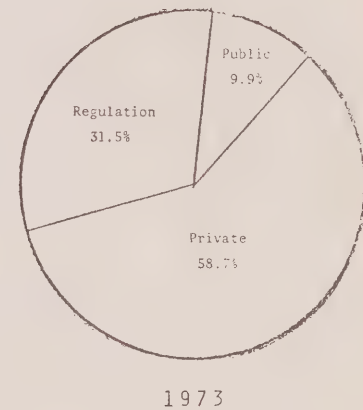
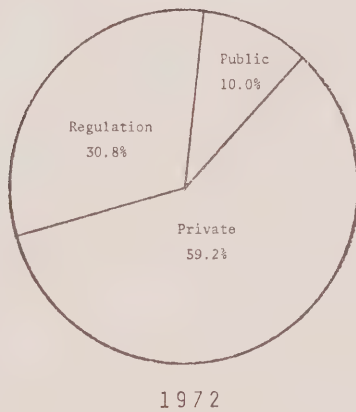
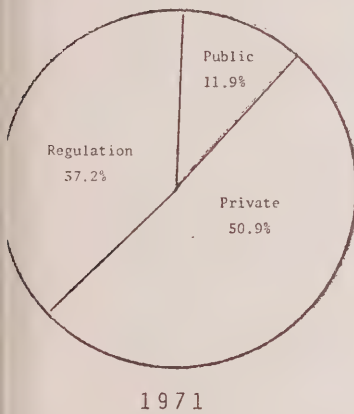
CHART X - CONTROL OF GASOLINE AND OIL COMPANIES



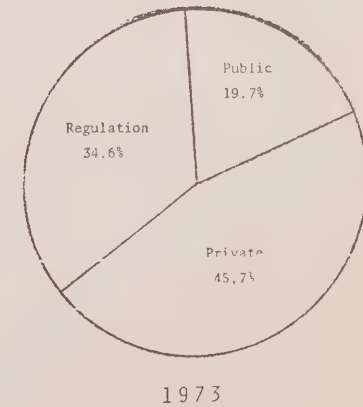
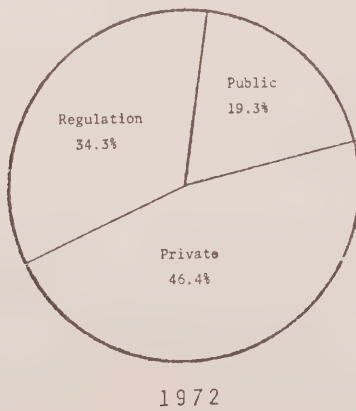
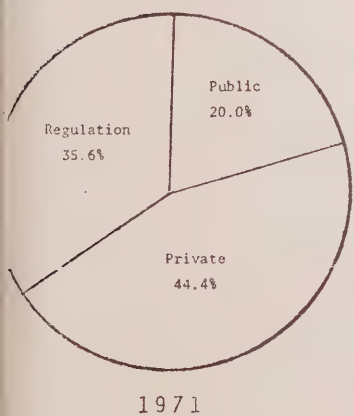
ART XI - CONTROL OF LIFE INSURANCE COMPANIES



ART XII - CONTROL OF RADIO STATIONS



ART XIII - CONTROL OF STEEL MANUFACTURING



ship. There are, however, two noticeable exceptions, one is the broadcasting (radio) industry where support for private ownership has increased over the time period, and the other, is the gas and oil industry (Chart X) in which the preference for private ownership and control has decreased dramatically from 47.7% in 1971 to 35.3% in 1973. This latter statistic, of course, reflects the interest in the energy area and the desire of Canadians to control more closely their resources.

When the interest in the energy area, particularly the gasoline and oil companies, is looked at from a regional breakdown (Table III-1), it is evident that the provinces in general are more favorably disposed than previously toward government ownership of this industry. The largest consuming provinces, Ontario and Quebec, show dramatic increases in preference for government ownership. In one year, Ontario has moved from 16.1% to 26.5% and Quebec has doubled the number of respondents for those who want government ownership of gasoline and oil companies.

The fact that several significant shifts which are indicated in the above charts are in different directions is clear evidence that opinion distributions reflect evaluation of performance in a specific industry rather than any ideological pattern.

TABLE III-1

CONTROL OF CANADIAN GASOLINE AND OIL COMPANIES
BY REGION (1973)

	Total Canada	Maritimes	Quebec	Ontario	Prairies	British Columbia
Government owned	23.5% (15.4) ^a	23.9% (20.0)	18.0% (9.3)	26.5% (16.1)	26.0% (18.9)	24.5% (20.8)
Private owned	34.4 (46.9)	34.9 (43.1)	35.7 (52.5)	34.3 (46.7)	34.9 (42.6)	30.4 (41.4)
Private with supervision	29.4 (27.9)	26.8 (22.9)	37.1 (32.5)	25.0 (25.9)	25.8 (27.5)	31.5 (27.0)
Both Private and Public	10.2 (8.0)	11.3 (8.8)	7.8 (4.5)	11.1 (9.8)	10.9 (8.4)	11.9 (9.7)
No opinion	2.5 (1.9)	3.2 (5.2)	1.4 (1.2)	3.0 (1.5)	2.4 (2.5)	1.0 (1.2)
All respondents	4980	444	1411	1812	799	514

NOTE: ^a Indicates percentage in the 1972 Survey.

(B) Public Opinions on Fair Profit Versus Rate of Return

In line with the questions on public versus private ownership, the public was also asked to express their attitudes about the amount of profit Canadian business receives. This question was meant to discern the individual's perception of business profits. The question segmented the profit into ten intervals and Table III-2 presents the results on a regional basis. 27.6% of the respondents think that business receives more than .50¢ on the Canadian dollar; 53.6% think that business receives more than .30¢; and 66.1% feel that business received more than .20¢ on their dollar sales. The response to this question received little regional variation as compared to others. The second question that was asked concerned the respondents' opinion about what constituted a "fair profit" for Canadian business. On a Canadian wide basis 48% felt that less than .20¢ would be a fair profit. On a regional basis, however, some differences occurred, Quebec for example supported a higher profit than British Columbia. Ontario's perception was similar to the national average with about 49% reporting profit of 20% or less as fair.

Asking these two questions allowed the formulation of a concept of "excess profit," i.e., the difference between perceptions of fair profit and perceptions of actual business profits. The combined results of the tables, which are presented by region in Table III-4, indicate that 73.8% of Canadians believe that the actual rate of return exceeds their concept of a fair profit. Ontario reported the lowest with 70.9%. The other areas of Canada showed little regional variations. The most impressive statistic

here is the large number of respondents who think that Canadian profit is in excess somewhere between .10¢ and .30¢ per dollar.

Support for unregulated private industry in the energy areas has dropped considerably since 1972. This reflects the present concern with the energy crisis, and in particular the need for more public say in the disposition of Canadian energy resources.

TABLE III-2

OPINION ON THE AMOUNT OF PROFIT CANADIAN BUSINESS RECEIVES
BY REGION

Profit per \$1.00	Total Canada	Maritimes	Quebec...	Ontario	Prairies	British Columbia
1¢ - 5¢	2.2%	1.8%	3.8%	1.6%	0.9%	2.7%
6¢ - 10¢	4.5	3.4	4.4	4.5	5.4	4.5
11¢ - 20¢	8.6	7.4	6.4	8.9	9.8	12.5
21¢ - 30¢	12.5	10.6	13.7	12.2	13.3	11.1
31¢ - 40¢	14.8	16.0	13.3	15.0	16.6	14.6
41¢ - 50¢	11.2	14.9	9.6	11.5	11.5	10.9
51¢ - 60¢	15.6	20.5	16.1	14.2	16.4	13.8
61¢ - 70¢	4.9	4.7	5.0	4.5	5.1	5.8
71¢ - 80¢	2.8	3.2	2.9	2.9	2.3	2.5
81¢ - \$1.00	4.3	2.7	4.9	4.5	3.1	5.1
No opinion	18.6	14.9	20.0	20.3	15.6	16.5
All respondents	4980	444	1411	1812	799	514

TABLE III-3

OPINION AS TO A FAIR PROFIT FOR CANADIAN BUSINESS
BY REGION

Profit per \$1.00	Total Canada	Maritimes	Quebec	Ontario	Prairies	British Columbia
1¢ - 5¢	8.6%	10.1%	6.9%	8.6%	9.5%	10.1%
6¢ - 10¢	16.8	21.4	12.8	17.9	15.3	22.2
11¢ - 20¢	22.8	25.7	23.2	22.8	23.4	18.5
21¢ - 30¢	18.0	16.2	19.9	16.1	20.4	17.1
31¢ - 40¢	8.5	5.6	10.2	7.8	9.4	7.0
41¢ - 50¢	5.6	6.1	7.2	4.4	5.1	6.0
> 50¢	1.3	0.7	1.8	1.4	0.3	1.2
No opinion	18.5	14.2	18.0	21.0	16.1	17.9
All respondents	4930	444	1411	1812	799	514

TABLE III-4

OPINION AS TO THE AMOUNT OF EXCESS PROFIT REALIZED BY CANADIAN BUSINESS

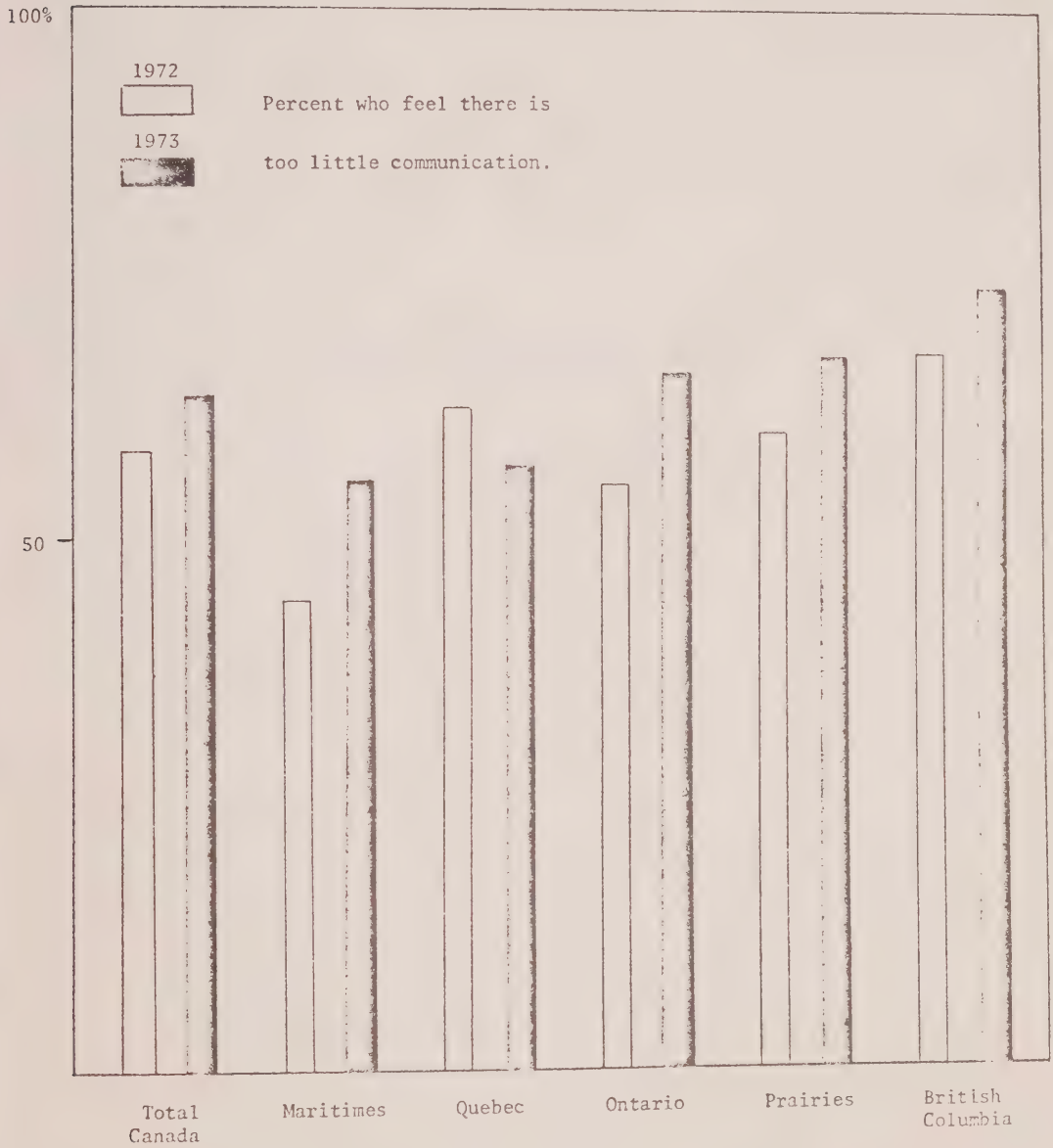
BY REGION

Profit per \$1.00	Total Canada	Maritimes	Quebec	Ontario	Prairies	British Columbia
Too little profit	3.2%	1.6%	4.7%	3.1%	2.0%	2.9%
No excess profit	3.5	3.4	3.3	4.0	3.0	3.7
10¢ Excess profit	23.0	18.2	24.8	20.5	28.3	24.1
11¢ - 20¢	20.8	20.0	22.7	19.9	21.3	18.9
21¢ - 30¢	17.4	20.0	16.0	18.9	17.3	14.4
31¢ - 40¢	7.1	13.3	5.2	6.6	6.8	9.5
41¢ - 50¢	1.6	5.9	0.6	1.3	1.5	1.9
More than 50¢	3.8	2.9	3.8	3.8	3.0	6.0
No opinion	19.5	14.6	18.8	22.0	16.9	10.5
All respondents	4980	444	1411	1812	799	514

(C) Business-Government Communications

It is clear from the above that public opinion perceives excess profits as substantial. Whatever the various arguments may be regarding profit or fair profit margins, it is evident that business to date has not been successful in presenting its case to the public. At the same time, there is some evidence that the public also feels that there is too little communication between business and government. This supposition was tested as an attitudinal question for 1972 and 1973, and the results for all of Canada are presented in Chart XIV. The feeling that there is too little communication between business and government has grown from a percentage of 58.5% in 1972 to 63.6% in 1973. The same increase was noticed regionally except for Quebec in which a drop occurred. The Maritimes and Ontario show the largest increase. The largest majority for the current survey is British Columbia in which 74.1% feel there is too little communication. Ontario for the same year registers 66.0% of the respondents who feel that too little communication between government and business exists.

CHART XIV - ATTITUDES ON COMMUNICATION BETWEEN BUSINESS AND
GOVERNMENT BY REGION



IV

CANADIAN ISSUES THAT ARE IMPORTANT

- (A) Issues (2-year analysis).
- (B) Economic Outlook.

CANADIAN ISSUES THAT ARE IMPORTANT

(A) Issues

The focus of the above tables and charts has been on Canadian public attitudes about U.S. investment, public ownership, control and a fair profit to Canadian based corporations. These questions should now be viewed within the perspective of Canadian issues which are most important to the public. Over the past three years, a general question has been included in the survey asking respondents to select the most important issue facing Canada.

Table IV-1, which presents these results on a regional basis, indicates that the "number one" problem for the Canadian public in 1973 is inflation. It is also the number one problem when tabulated on a regional basis. In comparison, 1972's statistics rated unemployment as the most important problem (Table IV-2). Although unemployment in 1973 is an important issue in the Maritimes and Quebec, it has dropped considerably in Ontario and the western provinces. It should be noted that the Prairies have the lowest percentage registering unemployment as the second most important issue in 1973. It seems that the improvement in economic conditions in the west has realigned the critical issues. In general, U.S. investment in Canada holds fifth position in 1973 and Canadian-American Relations the same position in 1972. This indicates that, *relative to other issues*, U.S. economic domination is not perceived as an important threat by the Canadian public at this time. Two provinces, Ontario and British Columbia, registered above average percentages on the "U.S. investment in Canada" issue. Other issues such as environment, pollution, and taxation show little regional variances.

TABLE IV-1

CANADIAN ISSUES WHICH ARE MOST IMPORTANT AT THE PRESENT TIME
BY REGION (1973)

	Total Canada	Maritimes	Quebec	Ontario	Prairies	British Columbia
1. Inflation (2) ^a	42.6%	40.9%	45.9%	38.9%	46.4%	41.6%
2. Unemployment (1)	22.1	30.4	27.5	19.3	15.8	19.6
3. Environment & Pollution (3)	14.5	14.4	11.5	16.2	12.8	19.3
4. Taxation ^b	13.7	14.4	11.7	16.1	13.4	10.1
5. U.S. Investment in Canada ^b	6.6	5.0	4.9	8.4	6.3	7.0
6. English/French Relations in Canada (4)	4.0	3.8	3.7	3.8	5.8	2.9
7. No Opinion	1.5	1.4	1.8	1.3	1.1	2.1
All respondents	4980	444	1411	1812	799	514

NOTE: ^a Indicates position in 1972 survey.

^b Item not included in 1972 survey.

- Percentages total to more than 100% because of multiple responses.

TABLE IV-2
CANADIAN ISSUES WHICH ARE MOST IMPORTANT AT THE PRESENT TIME
BY REGION (1972)

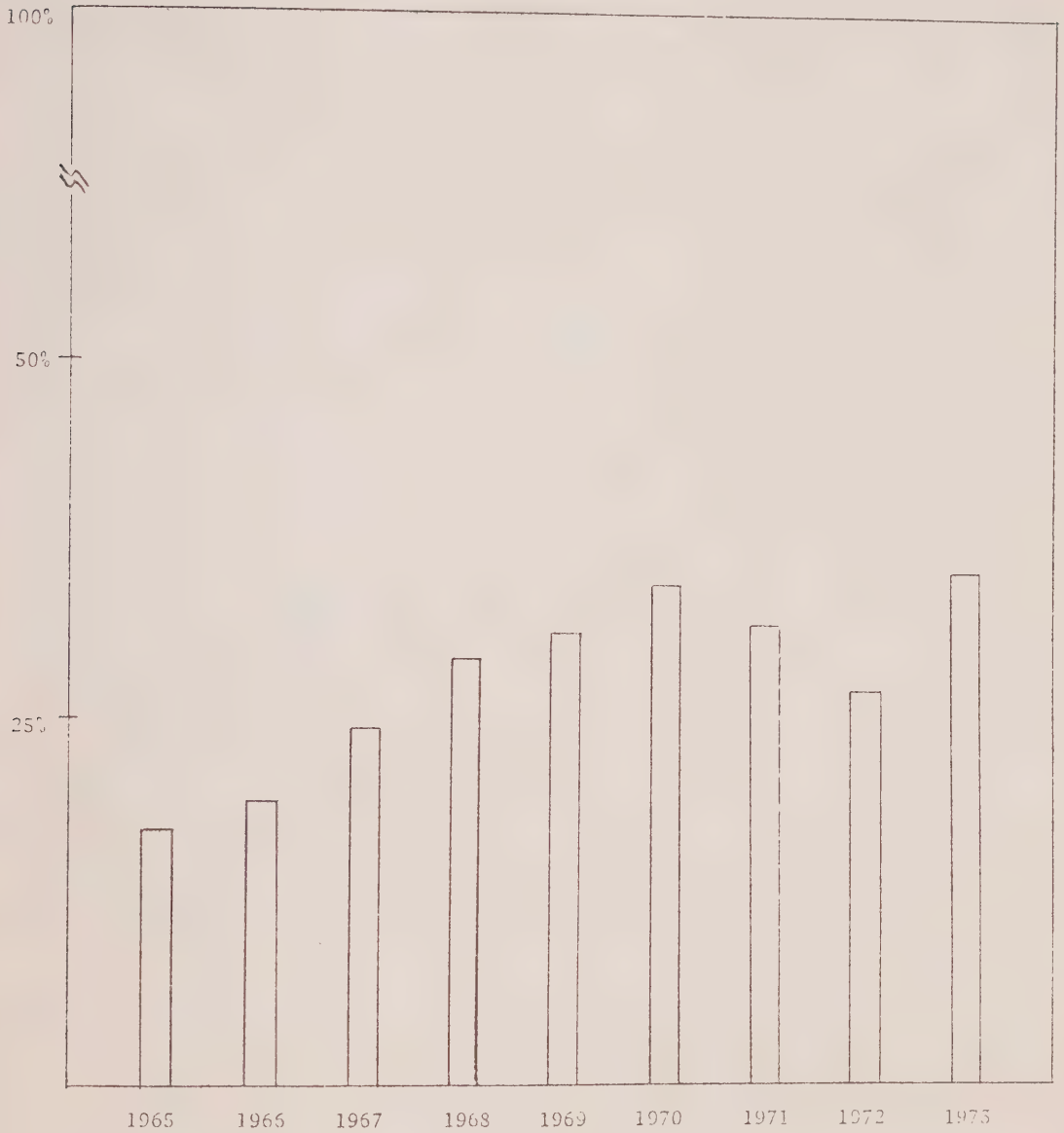
	Total Canada	Maritimes	Quebec	Ontario	Prairies	British Columbia
1. Unemployment (1) ^a	46.4%	55.3%	51.3%	42.8%	43.0%	43.5%
2. Inflation (3)	30.3	26.7	30.2	27.8	37.0	32.2
3. Environment & Pollution Problems (2)	16.5	12.1	13.6	20.4	13.6	18.8
4. English/French Relations in Canada (5)	6.4	6.1	5.4	7.7	6.8	4.3
5. Canadian/American Relations (4)	3.2	1.3	1.9	4.2	4.5	3.3
6. No Opinion (6)	1.2	2.2	1.1	.7	1.9	1.0
All respondents	5000	445	1420	1825	795	515

NOTE: ^a Indicates position in a 1971 survey.
Percentages total to more than 100% because of multiple responses.

(B) Economic Outlook

There are two dimensions which must be considered when examining critical Canadian issues. The first is the foregoing regional breakdown of the issues, and the second, the general economic outlook for the country. The above tables (Table IV-1, Table IV-2) have looked at a breakdown of the issues. Chart XV, presents a time series examination of the general economic outlook which the Canadian public perceives, based on the likelihood of a depression occurring within the next few years. The most striking statistic reveals a growth in pessimism which has taken place since 1965. Only 1971 and 72 shows a note of optimism by displaying less fear of an imminent depression. The highest level of pessimism about Canada's economic future occurred last year. This negative feeling has grown drastically from 17.8% in 1965 to 38.3% in 1973.

CHART XV - CANADIAN ATTITUDES ON THE LIKELIHOOD OF A DEPRESSION
WITHIN THE NEXT TWO OR THREE YEARS



A relationship exists between the economic outlook for the country and the concern with U.S. investments. A regional breakdown of Canada (Table IV-3) indicates that Quebec appears to be the most pessimistic province. The Maritimes follow closely with the attitude that a depression is very likely. The remainder of the provinces showed less concern about U.S. investment in Canada. Ontario was the most optimistic province with 61.3% of the respondents indicating that it was unlikely that a depression would take place within the next two or three years.

Women are more pessimistic about Canada's economic outlook, and therefore the likelihood of a depression, than males (Table IV-4). It may be recalled that females were also more inclined to feel that U.S. ownership of Canadian companies is a "bad thing" (see previous Table II-4). There is some indication in the data (Table IV-5) that those who are more optimistic about the economy tend to be less concerned about U.S. investment in Canada, and that those who are pessimistic are inclined to feel that it is a "bad thing" for the country. This relationship is further indicated by the larger number of respondents who feel that there is a likelihood of a depression for Canada and who express their willingness to take a lower standard of living in order to gain more control over the Canadian economy (Table IV-6).

TABLE IV-3
ECONOMIC OUTLOOK
BY REGION

Likelihood of a depression	Total Canada	Maritimes	Quebec	Ontario	Prairies	British Columbia
Likely	38.3%	39.4%	51.8%	30.0%	32.3%	38.1%
Unlikely	53.8	53.6	39.7	61.3	61.0	55.1
No Opinion	7.9	7.0	8.5	8.8	6.8	6.8
All Respondents	4980	444	1411	1812	799	514

TABLE IV-4
ECONOMIC OUTLOOK
BY SEX

Likelihood of a Depression	Total Canada	Male	Female
Likely	38.3%	32.6%	44.0%
Unlikely	53.8	60.2	47.5
No Opinion	7.9	7.3	8.6
All Respondents	4978	2490	2488

TABLE IV-5

ATTITUDES TOWARD U.S. INVESTMENT
BY ECONOMIC OUTLOOK

	Total Canada	Depression Likely	Depression Unlikely
Good thing	32.9%	27.5%	36.7%
Bad thing	50.9	57.0	46.5
Qualified	7.6	7.1	8.0
No Opinion	8.6	8.3	8.8
All respondents	4586	1906	2680

TABLE IV-6

ACCEPTANCE OF A LOWER STANDARD OF LIVING FOR MORE CONTROL OVER
CANADIAN ECONOMY BY REDUCING OR ABOLISHING U.S. INVESTMENT
BY ECONOMIC OUTLOOK

	Total Canada	Depression Likely	Depression Unlikely
Yes	44.6%	50.8%	40.3%
No	47.8	41.7	52.2
No Opinion	7.5	7.5	7.6
All Respondents	4586	1906	2680

OVERALL CONCLUSIONS AND COMMENTARY

- (A) Summary and Conclusions
- (B) Implications for Policy Options
- (C) Directions for Future Research

OVERALL CONCLUSIONS AND COMMENTARY

(A) Summary and Conclusions

The approach of this study has been to use a large sample, time-series survey in order to delineate Canadian Public Attitudes Towards U.S. Equity Investment in Canada. In addition, the distribution of current opinions on critical issues was included to give a perspective of the inter-relationship between the growing negative attitudes towards U.S. investment and issues of economic concern.

In general, the following conclusions can be drawn:

1. Although Canadians are thinking about the issue of U.S. investment and its relevance to them, it does not have precedence over other issues. In particular, inflation and unemployment hold key positions.
2. Most Canadians have some opinion whether U.S. investment is a good or bad thing for Canada (witness the low response to the "no opinion" category). Most noticeable has been the growth in the percentage of respondents (which reached 50% in 1973) who see U.S. investment as a "bad thing" for the Canadian economy.
3. Generally the reasons for viewing U.S. ownership as a good or bad thing for Canada tend to be economic in character rather than social or political.
4. The eastern provinces appear to be more favorably disposed

to U.S. ownership of Canadian industry and the increased employment which accompanies this ownership. This position deteriorates as one moves west. The Prairies and British Columbia are most adamantly against U.S. ownership. However, regional variance on this view has been steadily declining.

5. The Mitchell Sharp option advocating a greater extension of Canada's ties with Europe and Asia was rejected by the majority of Canadians. The present policy (or status quo) of Canada's relationship with U.S. is preferred by most respondents.
6. Although some Canadians are willing to accept a lower standard of living in order to restore their independence, this is not an overwhelming attitude shared by all Canadians. However, 43% of the national average did say they were willing to take a lower standard of living ranging from 10 to 20%. This opinion generally reflects the same regional pattern which is found in Number 4 above.
7. Canadians have not changed their opinion on the question of public ownership of selected Canadian industries during the last few years. The one exception in the case of energy industries, i.e. gas and oil companies, where the preference for private control has sharply dropped.
8. The perceived attitude towards excess profit indicates that Canadians feel that companies are receiving more than

their fair share of return. This opinion may exist because of the perceived lack of understanding of a "fair rate of return".

9. The overwhelming critical issue for Canadians this year is inflation. An increasing number of Canadians are beginning to feel that a depression is imminent within the next two or three years.

It would appear that Canadians who are optimistic about the economy tend to be less concerned about U.S. investment, and that those with a depression-oriented attitude are more nationalistic in their outlook. They are, therefore, more willing to accept a lower standard of living in order to control the takeovers of Canadian companies by U.S. multinational corporations.

(B) Implications for Policy Options

Policy options are usually shaped by public opinion, and in many cases they should not be too far ahead of it. The following implications for public policy considerations are:

1. The Mitchell Sharp options with the overtones of closer ties with Europe and Asia have some support in Canada. Most people, however, are not ready to accept a change in long-term industrial strategy. Interestingly enough, on a party distribution basis, Mr. Sharp's own Liberal party is not as supportive of his proposal for new directions in foreign policy as are voters of other parties.
2. There is support for control of investment even though it is not a primary issue. Willingness to accept a lower standard of living would tend to indicate that control of investment may eventually be quite acceptable and, in particular, control of takeovers may be regarded as a positive step.
3. Public ownership of energy sources, that is gasoline and oil companies, has increased support, particularly when the regulation of private companies by governmental authorities is suggested. The increased support for this regulation has developed in the last year.
4. The question of whether Canadians feel that an excess profit tax should be employed has not been fully explored.

However, there is a general feeling that there is excess profit in Canadian business, suggesting that a policy change designed to accomplish a better distribution of resources in Canada may eventually be acceptable.

5. Canadians registered inflation as the overwhelming concern at the present time and the critical problem for Canada to overcome. This would imply that there would be some public receptivity to policies capable of easing the spiralling rise in prices.

(C) Directions for Future Research

The above conclusions summarize the national public opinion surveys conducted across Canada and indicate the issues which are of deep concern to Canadians presently and will continue to be important in the future. Shifts in important issue areas such as, the economic outlook, inflation, and public concern over U.S., support the belief that a continual monitoring of public attitudes on these questions should exist. Such shifts would clearly affect the feasibility of policy options such as:

1. The advisability of price and wage controls in order to contain inflation.
2. Controls on U.S. takeovers and selected foreign investment in the Canadian economy.
3. Private versus public control, ownership, and regulation as government becomes more of a partner and less of an independent observer in the direction of Canadian industry.

The viability of these options can be only tested on a time series basis with the use of large samples in order to capture Canadian regional diversity, as well as demographic and socio-economic differences. These controls allow the researcher to pinpoint the areas of change and to focus on issues before they emerge as fullblown crises.

VI

APPENDIX A - Technical Appendix

APPENDIX B - Canadian Public Attitudes Questionnaire

APPENDIX A

TECHNICAL APPENDIX

(A) Sample Design

The data in these studies are based on national surveys of 5,000 interviews conducted annually by the Elliott Research Corporation. The design for the surveys is a national quota sample controlled for province, urban-rural location, age, and sex. The quotas for each of these categories are matched to Statistics Canada population estimates as shown in Table A-1.

TABLE A-1
COMPARISON OF THE 1972 STATISTICS CANADA DATA
AND THE SAMPLE FOR THE 1973 STUDY
(Shown below as a percentage)

	<u>1972</u> <u>Statistics Canada</u>	<u>1973</u> <u>Public Attitudes</u>	Number of Interviews
<u>TOTAL CANADA</u>	<u>100%</u>	<u>100%</u>	<u>5000</u>
Maritimes	8.9	8.9	445
Quebec	28.3	28.4	1420
Ontario	36.5	36.5	1825
Manitoba	4.5	4.0	202
Saskatchewan	4.1	4.0	202
Alberta	7.4	7.8	391
British Columbia	10.3	10.3	515
URBAN-RURAL:			
Urban	76.1	76.1	3805
Rural	23.9	23.9	1195
SEX:			
Male	50.1	50.1	2506
Female	49.9	49.9	2494

AGE:

18-29	33.5	32.7	1635
30-50	41.6	41.7	2085
Over 50 years	24.9	25.6	1280

The interviews are distributed among 120 interviewing areas across Canada. Each of these areas is subdivided into a number of cells on the basis of population. Cells are then pre-selected for interviewing by supervisors according to a systematic random method. In each cell thus selected, a cluster of ten interviews is conducted by the trained field staff, following route patterns written out for each interviewer by the supervisor for a given area. Following is an example of a route pattern for a cell in the 1973 survey.

Start at the selected intersection and proceed EAST to the 3rd house, then to the 5th house, then turn RIGHT at the next corner, to the 7th house and the 2nd house, then LEFT at the next corner to the 4th house, then to the 6th house. Then turn RIGHT at the next corner visiting the 1st house and the 3rd house. Turn LEFT at the next corner visiting the 4th house and the 5th house.

Interviews are restricted to persons 18 years of age or older and only one interview is permitted per household selected. When there is more than one eligible respondent in the household, selection is made by alternating by sex and age, i.e., a male is interviewed at the first house, a female at the second house. In instances where the selected respondent is not at home, one call-back is made at a different time of the day or evening, or at a time suggested by someone else in the household. If it is not possible to complete an interview or fill a quota

at the selected household, interviewers are instructed to go to the household on either side, alternating their choices.

An attempt is also made to control for economic status of respondents by including an approximation of economic circumstances in the quota instructions.

Interviewers are instructed in estimating economic status, basing their estimate on the area of a city or town, type of household, occupation, and ownership of durable goods and property.

For a cluster of ten interviews, interviewers receive the following quota instructions:

SEX:

Male	5
Female	5

AGE:

18-29	3
30-50	5
50-70	2

ECONOMIC
STATUS:

High	2
Middle	6
Low	2

While quota sampling does not achieve the levels of reliability and accuracy that can be obtained by probability or random sampling, it does possess some distinct advantages for the type of study reported here. Because of their high cost, probability samples tend to be smaller in size and thus do not permit the detailed population breakdowns

utilized in this report. The large size of the national sample employed in these studies (5,000) permits accurate breakdowns of statistics for each province and region, an important factor in Canadian surveys, as well as for population sub-categories of age, sex, occupation, political affiliation, and economic status.

When careful controls are employed in the selection of respondents as in this study, it is possible to compute approximations of the sampling error for quota samples based on the assumption that repeated applications of a particular quota sampling method will form a definable sampling distribution. Estimates of sampling variance can be made from two or more successive applications of the design, or from independent sub-samples. For k such estimates, the variance of the hypothesized sampling distribution will be:

$$\sigma_{\rho_i}^2 = \frac{\sum (\rho_i - \bar{\rho})^2}{k - 1}$$

In general, these estimates of sampling variance for quota samples will be larger than those for simple random samples, but well within acceptable statistical limits if the overall sample size is large. For the samples utilized in this study, Table A-2 provides conservative estimates of sampling error computed for these samples at the 95% level of confidence (2σ). Using Table II-9 (p. 27) of the report as an example, the estimate that 41% of the Ontario respondents chose the "stay as we are" option should be understood as accurate within $\pm 4\%$, taking the error



estimate from Table A-2. Comparable estimates of sampling error can be obtained from the table for each percentage included in this report.

TABLE A-2

SAMPLING ERROR AT 95% LEVEL OF CONFIDENCE (2σ) FOR PERCENTAGES

Size of Base (N)	<u>10% or 90%</u>	<u>20% or 80%</u>	<u>30% or 70%</u>	<u>40% or 60%</u>	<u>50%</u>
100	9%	12%	13%	14%	15%
300	5%	7%	8%	8%	8%
500	4%	5%	6%	6%	7%
700	3%	4%	5%	5%	6%
1000	3%	4%	4%	5%	5%
1500	2%	3%	3%	4%	4%
3000	2%	2%	2%	3%	3%
5000	1%	2%	2%	2%	2%

A more detailed discussion of the estimation of error for quota samples may be found in F. Stephan and P. McCarthy, Sampling Opinions (New York: Wiley, 1958), pp. 211-34.

(B) Questionnaire

A number of the questions contained in this survey are not altered from year to year in order that an acceptable time series of responses can be obtained. Questions dealing with the desirability of U.S. investment and attitudes toward control of industry are examples of such series.



On the other hand, certain topical items which are not replicated are included in each annual survey. Questions are pre-tested in both English and French, and reliability checks and verification are conducted by supervisors.

Extensive demographic information on respondents is not sought or obtained, although basic information on age, sex, occupation, and political affiliation is included in the interview. Interviewers are also requested to estimate respondents' socio-economic status according to a method discussed in the "sample design" section.

The actual length of the questionnaire varies somewhat in each of the annual surveys depending on the replication of items from past surveys. A copy of the 1973 interview schedule is presented in Appendix B.

(C) Coding and Processing of Data

Most of the closed-end items in the survey are pre-coded. Open ended questions such as that dealing with reasons for viewing U.S. investment as a "good" or "bad" thing are grouped by experienced coders into a manageable number of categories conforming as closely as possible to the pattern of verbatim responses. Multiple responses are coded on some items.

The tabulations and analysis contained in this report were carried out at the University of Windsor using the IBM 360-65 computer and the SPSS program package. Computer files of each years surveys are retained on tape by the International Business Studies Research Unit at the University of Windsor.

APPENDIX B

CANADIAN PUBLIC ATTITUDES QUESTIONNAIRE

- QUESTION 1: Here is a list of basic industries of Canada. Some people think that -
- a) Some of these industries should be owned and operated by the government;
 - b) Others feel that they should be owned and operated by private companies;
 - c) Still others feel that they should be owned and operated by private companies under Government supervision; and
 - d) Another group feels that there is a place for both Government and private companies in some of these industries.

INDUSTRY

- Automobile Manufacturing
- Aluminum Industry
- Banking
- Brewing
- Chemical Manufacturing
- Distilling
- Electric Light and Power
- Finance Companies
- Gasoline and Oil Companies
- Life Insurance Companies
- Radio Stations
- Steel Manufacturing

QUESTION 2: Private Information on Selected Companies.

QUESTION 3: During the next year, do you think the prices of food and clothing will go up, come down, or remain about the same?

Up

Down

Same

No opinion

QUESTION 4: With regard to the work you are doing today, is your overall attitude towards this job better, worse, or about the same as it was a year ago?

Better

Worse

Same

No opinion

Not gainfully employed

QUESTION 5: Do you feel that the wage earners in your home will be earning more, less, or about the same this time next year as they are today?

More

Less

Same

No opinion

QUESTION 6: Some people in Canada think that we will have another depression within the next two or three years; other people feel that another depression is quite unlikely. What is your opinion on this question; a depression within the next 2 or 3 years is likely or unlikely?

Likely

Unlikely

No opinion

QUESTION 7: We have been hearing considerable discussion in regard to the margin of profit made by manufacturing companies. We would like your opinion, or your guess, as to how many cents goes into profit out of each dollar's worth of goods the manufacturer sells?

- 1 - 5¢
- 5 - 10¢
- 11 - 20¢
- 21 - 30¢
- 31 - 40¢
- 41 - 50¢
- 51 - 60¢
- 61 - 70¢
- 71 - 80¢
- 81 - \$1.00
- No opinion

QUESTION 8: How many cents on the dollar do you think is a fair profit for the manufacturer?

- 1 - 5¢
- 6 - 10¢
- 11 - 20¢
- 21 - 30¢
- 31 - 40¢
- 41 - 50¢
- 51 - \$1.00
- Don't know

QUESTION 9: Given the fact that it is important for Business and Government to have sufficient communication and interchange of ideas for the overall well-being of Canadians, do you think, in general, that Canadian Business and the Government have too little, too much or just the right amount of communication?

Too little

Too much

Just the right amount

No opinion

QUESTION 10: During the past few years or so, several large American corporations have purchased Canadian firms and have subsequently expanded the Canadian operations. Do you think this is a good thing or a bad thing for the Canadian economy?

Good thing

Bad thing

Qualified - both good and bad thing

No opinion

A. GOOD THING - Why do you think it is a "Good thing"?

1. Creates more employment/helps unemployment
2. Need outside investment for expansion/development of industry/resources
3. Canadians are not willing to invest (too cautious - need a push) - if U.S. didn't do it, some other country would
4. Raises/expands the economy (better standard of living) helped Canada/Canadians
5. Brings money into Canada - more money is circulated
6. More of what we have now is due to American investing - our economy is based on U.S. - couldn't operate without the U.S.
7. Creates a friendly relationship/co-operation - stabilizes. Keeps us par with U.S. - help each other
8. Better/more products - world market - more to export/trade
9. Miscellaneous reasons - state
10. No particular reason

B. BAD THING - Why do you think it is a "Bad thing"?

1. Americans taking over our economy - Canada/Canadians should control their own business/economy
2. Profits/money leaves the country - doesn't benefit Canada - U.S. profits from our resources
3. We can do it ourselves/alone - should be more independent (not depend on U.S.)
4. Canadians take risk/initiative/invest in their own country - keep Canadian investment here
5. Discrimination - unequal trade - don't get a square deal - we pay more manpower drain, etc. - (can pull out in depression)

B. BAD THING CONT'D

6. Discourages Canadians - too much foreign interest (capital) in Canada (Canadians should have it)
7. Take jobs/business away from Canadians
8. Tend to "Americanize"/change us/our methods - will lose our identity
9. Brings in undersirable (U.S.) unions - Unions want wage parity with U.S.
10. Miscellaneous reasons - state
11. No particular reason

C. QUALIFIED - "BOTH GOOD AND BAD THING"

1. As long as Government/Canadians have controlling interest
2. Good for current economy but not for the future of the country (short term good for employment)
3. Could mean our money goes out of the country (profits to U.S.)
4. As long as Canadian identity retained - good for economy but bad for independence
5. Better if Canadians would do it themselves - shouldn't rely on U.S. or other countries
6. As long as profit is retained/re-invested here
7. Could mean U.S. control - States could take Canada over
8. If Canadian raw materials/manpower used
9. Miscellaneous replies
10. Has both good and bad points

QUESTION 11: It has been suggested that Canada has really three long term options that should be seriously considered as an Industrial strategy. First, Canada can seek to maintain its present relationship with the U.S. with no policy adjustments; second, Canada can move toward closer integration with the U.S., or; third, Canada can seek out stronger relationship with Europe and/or Asia. Which of the above three do you feel would be most advantageous to Canada's long term well being?

Stay as we are

Closer to U.S.

Closer to Europe/Asia

No opinion

Closer to U.S. and Europe/Asia

QUESTION 12: Canadians in general are bothered by many things which affect their lives. Which one of the following do you consider to be the most pressing Canadian problem now - that of Environment and Pollution, Inflation, U.S. Investment in Canada, Unemployment, English/French Relations in Canada, Taxation?

Environment and Pollution

Inflation

U.S. Investment in Canada

Unemployment

English/French relations in Canada

Taxation

No opinion

QUESTION 13: a) Canadians could have more control over their economy by reducing or abolishing U.S. investment if they were willing to accept a lower standard of living. Would you be willing to accept a lower standard of living for more control over your economy?

Yes

No

No opinion

b) If yes, how much would you be willing to lower your standard of living in order to gain greater control of the Canadian economy?

5%

10%

25%

30%

No opinion

"No" or "No opinion" in question 13(a)

QUESTIONS ON RESPONDENTS PROFILE

AREA:

0, 1, 2, 3	- Maritimes
4	- Quebec
5	- Ontario
6	- Alberta
7	- Saskatchewan
8	- Manitoba
9	- British Columbia

CONTROLS:A. OCCUPATION:

- 1 Labour, Union
- 2 Labour, Non-union
- 3 White Collar
- 4 Others
- 5 Refused

B. POLITICAL AFFILIATION:

- 1 Liberal
- 2 Progressive Conservative
- 3 New Democratic Party
- 4 Social Credit
- 5 Others
- 6 Refused

C. SEX:

- 1 Male
- 2 Female

D. ECONOMIC LEVEL:

- 1 High
- 2 Medium
- 3 Low

E. AGE:

- 1 18-29
- 2 30-50
- 3 Over 50

F. LOCATION:

- 1 Urban (City)
- 2 Rural - Farm
- 3 Rural - Non-farm

